

# **CALIFORNIA BOARD OF ACCOUNTANCY REGULATIONS**

## **CALIFORNIA CODE OF REGULATIONS TITLE 16. Professional and Vocational Regulations DIVISION 1. Board of Accountancy Regulations**

### **ARTICLE 1. GENERAL**

(Sections 1 - 5.1)

#### **Section 1. Definition of "Accountancy Act."**

"Accountancy Act" as used in these regulations means Division 3, Chapter 1, of the Business and Professions Code.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Section 5010, Business and Professions Code.

#### **HISTORY:**

1. Amendment filed 6-24-66 as organizational; effective upon filing (Register 66, No. 19). For prior history see Registers 61, No. 22 and 12, No. 6.
2. Amendment filed 7-10-70; effective thirtieth day thereafter (Register 70, No. 28).
3. Repealer of former Section 1 and renumbering and amendment of Section 5.2 to Section 1 filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Registers 77, No. 16 and 60, No. 3.

#### **Section 2. Confusing Titles.**

The following are titles or designations likely to be confused with the titles Certified Public Accountant and Public Accountant within the meaning of Section 5058 of the Business and Professions Code:

- (a) "Accountant," "auditor," "accounting," or "auditing," when used either singly or collectively or in conjunction with other titles.
- (b) Any other titles or designations which imply that the individual is engaged in the practice of public accountancy.

NOTE: Authority cited: Sections 5010 and 5018, Business and Professions Code. Reference: Sections 5055, 5056, 5057 and 5058, Business and Professions Code.

#### **HISTORY:**

1. New Sections 2, 3, 4 and 5 filed 5-8-48 (Register 12, No. 6).
2. Amendment filed 2-4-60; effective thirtieth day thereafter (Register 60, No. 3).
3. Amendment filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16).

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## Section 2.5. Definition of "Audits."

"Making audits—as a part of bookkeeping operations," as used in Section 5052 of the Business and Professions Code, refers to the evaluation of financial and operational data solely for review by management and not intended for distribution to outside parties, and does not include those activities set forth in Sections 5051(c) and (d) of the Business and Professions Code.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Sections 5051 and 5052, Business and Professions Code.

### HISTORY:

1. New section filed 12-14-61; effective thirtieth day thereafter (Register 61, No. 25).
2. Amendment filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16).

## Section 3. Notification of Change of Address.

### (a) Address Notification—Individual Licensees

(1) Each licensee shall notify the Board of any change in his or her address of record within 30 days after the change. The address of record is public information. If the address of record is a post office box or mail drop, the change of address notification shall include the street address of either the licensee's primary place of employment or his or her residence.

(2) For purposes of this section, "licensee" includes any holder of an active, inactive, suspended, or expired certified public accountant license or public accountant license issued by the Board which is not canceled or revoked.

(3) All notification required under this subsection shall be in writing and shall be signed by the licensee.

### (b) Notification of Change of Address—Licensed Firm

(1) Each licensed firm shall notify the Board of any change in its address of record within 30 days after the change. The address of record is public information. If the address of record is a post office box or mail drop, the change of address notification shall include the street address of the firm's principal office.

(2) For purposes of this section "licensed firm" includes any partnership or professional corporation licensed by the Board to practice public accountancy even if the license is suspended or expired, provided the license is not canceled or revoked.

(3) All notifications required under this subsection shall be in writing and shall be signed by a licensed partner or licensed shareholder of the firm.

NOTE: Authority cited: Section 5010, Business and Professions Code. Reference: Section 5009, Business and Professions Code.

### HISTORY:

1. Amendment filed 9-2-64; effective thirtieth day thereafter (Register 64, No. 19).

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2. Amendment filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Register 12, No. 6.
3. Repealer and new section and amendment of Note filed 6-16-97; operative 6-30-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 25).
4. Repealer and new section filed 11-20-98; operative 12-20-98 (Register 98, No. 47).

### Section 5. Observance of Rules.

A licensee of the State Board of Accountancy engaged in the practice of public accountancy as defined in Section 5051 of the Business and Professions Code or engaged in an occupation in which the licensee renders services of the type performed by certified public accountants or public accountants or renders other professional services shall observe and is subject to rules and regulations of the State Board of Accountancy in the conduct of such activity. For purposes of Section 5, the term "activity" includes but is not limited to bookkeeping, financial planning, investment planning, tax services and management services.

NOTE: Authority cited: Sections 5010 and 5018, Business and Professions Code.  
Reference: Section 5051, Business and Professions Code.

#### HISTORY:

1. Repealer of former Section 5 and renumbering and amendment of Section 5.3 to Section 5 filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Register 12, No. 6.

### Section 5.1. Permit Processing Times.

(a) Applications must be filed at the designated office of the Board in Sacramento on a form provided by the Board and must be accompanied by any required application fee as provided for in Section 70.

(b) The maximum period of time in which the Board will notify an applicant in writing that an application is complete or deficient and if deficient what specific information or documentation is required to complete the application, is as follows:

- 1) Examination - 115 days
- 2) Licensure - Individual - 100 days
- 3) Licensure - Partnership, Corporation - 90 days
- 4) Fictitious Names Approval - 90 days
- 5) Continuing Education Course/Provider Approval - 120 days
- 6) Renewal - 45 days

(c) The maximum period of time, after filing of a complete application, in which the Board will notify an applicant of the results of the certified public accountant examination is 225 days.

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(d) During the last two years, the minimum, median and maximum permit processing times, of applications for examination, from the date of receipt of a completed application until the results of the examination are released were as follows:

Minimum – 100 days

Median – 150 days

Maximum – 225 days

(e) The maximum period of time after the filing of a complete application in which the Board will notify an applicant of a permit decision is as follows:

1) Licensure - Individual - 105 days

2) Licensure - Partnership and Corporation - 100 days

3) Fictitious Names - 100 days

4) Continuing Education Course/Provider - 120 days

5) Renewal - 45 days

(f) During the last two years the minimum, median and maximum processing times of applications for a permit from the date of receipt of the completed application until the first official action by the Board were as follows:

1) Licensure – Individual – Minimum – 3 days

Median – 97 days

Maximum – 105 days

2) Licensure – Partnership and Corporation

Minimum – 1 day

Median – 25 days

Maximum – 100 days

3) Fictitious Names – Minimum – 1 day

Median – 25 days

Maximum – 100 days

4) Continuing Education Course / Provider Approval --

Minimum – 1 day

Median – 67 days

Maximum – 120 days

5) Renewal – Minimum – 1 day

Median – 14 days

Maximum – 45 days

(g) An application is considered complete when all requested information designated on the application form is received by the Board.

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(h) The Board is not responsible for delays attributable to applicants in the form of application deficiencies or other factors beyond the Board's control which may impede the processing of applications.

NOTE: Authority cited: Business and Professions Code Section 5010, Government Code Section 15376. Reference: Government Code Section 15376.

### **HISTORY:**

1. Renumbering and amendment of former Section 7 to Section 5.1 filed 4-12-83; effective thirtieth day thereafter (Register 83, No. 16). For prior history, see Registers 75, No. 33 and 64, No. 15.
2. Amendment of section filed 9-23-91; operative 10-23-91 (Register 91, No. 52).
3. Change without regulatory effect amending subsections (b)(5), (e)(4) and (f)(4) filed 3-18-97 pursuant to section 100, title 1, California Code of Regulations (Register 97, No. 12).